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UNITED STATES DISTRICT COURT

DISTRICT OF NEVADA

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KNOCKOUT! SPORTS NETWORK, INC.,)	
a Nevada corporation,)	
)	
Plaintiff,)	NO.
)	
vs.)	<u>COMPLAINT</u>
)	
MATT A. ROSE, ROBERT A. FREEMAN,)	
JILL COSTANTINO, FRANCISCO BOZA,)	
CHRIS ROSE, STEPHEN MAYNARD)	
ULTIMATE SPORTS ENTERTAINMENT,)	
INC., a Nevada corporation,)	
FLANGAS MCMILLAN LAW GROUP, INC.,)	
A Nevada corporation, DOES I-X,)	
inclusive, and ROE CORPORATIONS)	
I-X, inclusive,)	
)	
Defendants.)	

General Allegations

1.

This Court has jurisdiction over the parties to and the subject matter of this case, which arises under (A) Sections 15 and 20(a) of the Securities Exchange Act of 1934, as amended ("the Exchange Act" herein), 15 U.S.C. §78j(b), 15 U.S.C. §78o and §78t, (B) Section 10(b) of the Exchange Act, 15 U.S.C. §78j, and Rule 10b-5 ("Rule 10b-5" herein) promulgated under the Exchange Act by the United States

1 Securities and Exchange Commission ("the Commission" herein), 17
2 C.F.R. §240.10b-5, and (C) the supplemental jurisdiction of this
3 Court.

4 2.

5 The Plaintiff, Knockout! Sports Network, Inc. ("the Plaintiff"
6 or "the Company" herein), is a Nevada corporation. Defendants Matt A.
7 Rose ("Matt Rose" herein), Robert A. Freeman ("Freeman" herein), and
8 Jill Costantino ("Costantino" herein) are all residents of Clark
9 County, Nevada. Defendant Francisco Boza ("Boza" herein) is a resident
10 of the State of Florida. Defendant Chris Rose ("Chris Rose" herein),
11 who is the brother of Matt Rose, and Defendant Stephen Maynard
12 ("Maynard" herein) are residents of Los Angeles County, California.
13 Defendant Ultimate Sports Entertainment, Inc. ("the Fraudulent
14 Company" herein) is a Nevada corporation. Defendant Flangas McMillan
15 Law Group, Inc. ("the Lawyers" herein) is a Nevada corporation. The
16 true names or capacities whether individual, corporate, associate or
17 representative or otherwise of the Defendants named herein as Does I-X
18 and Roe Corporations I-X are not known to the Company, which
19 consequently sues the said Defendants by such fictitious names, and
20 the Company will seek leave to amend this Complaint to state their
21 true names and capacities when they have been ascertained.

22 3.

23 In March 2003, Matt Rose was engaged as President and Chief
24 Executive Officer of the Company, which was incorporated on February
25 6, 2002 for the purpose of developing a proposed sports and
26 entertainment complex including a hotel and casino in Las Vegas,
27 Nevada, which Matt Rose represented to be a \$3.2 billion project ("the
28 Project" herein). Thereafter, Freeman was named General Counsel and

1 Chief Operating Officer, and Costantino was named Controller.

2 4.

3 At or near the time of Matt Rose's engagement by the Company, a
4 written agreement ("the Employment Period" herein) was executed by and
5 between the Company and Matt Rose, which included provisions for Matt
6 Rose's confidentiality, non-competition, and non-circumvention for the
7 benefit of the Company ("the Employment Agreement" herein). Matt Rose
8 also caused all of the other Defendants herein (except for the
9 Fraudulent Company) and other third parties with whom either he and
10 the Company came into contact to sign agreements with the Company for
11 the same confidentiality, non-competition, and non-circumvention
12 provisions. Matt Rose was employed by the Company until his
13 resignation on February 8, 2005.

14 5.

15 During the Employment Period Matt Rose supervised and conducted
16 an offer and sale ("the Securities Offering" herein) of the common
17 stock of the Company and of loan instruments (together "the
18 Securities" herein) to third parties in May 2003 through January 2005
19 ("the Securities Offering Period"). The Securities were not registered
20 with the Commission under Section 5 of the Securities Act of 1933, as
21 amended ("the Securities Act" herein), 15 U.S.C. §77e, or any state
22 securities agency, and the Securities Offering was not properly in
23 compliance with any statutory exemption from registration. During the
24 Securities Offering Period, approximately 499,300 shares of the common
25 stock of the Company and certain loan instruments were sold to third
26 parties for approximately \$2,488,500. Also during the Securities
27 Offering Period, without authorization from the Board of Directors of
28 the Company and otherwise unlawfully and illegally, Matt Rose caused

1 the Company to issue to himself 40,000,000 shares of the common stock
2 of the Company for no consideration. During the Securities Offering
3 Period, Matt Rose also issued 600,500 shares (including 200,000 shares
4 issued to Maynard) of the common stock of the Company to business
5 associates, friends and relatives for no consideration.

6 6.

7 In or about July 2004, Matt Rose had engaged the Lawyers as the
8 Company's corporate, securities and trademark lawyers, whose services
9 included the preparation of a so-called Private Placement Memorandum
10 dated December 1, 2004 ("the PPM" herein), which was used in the
11 Securities Offering after that date. The PPM included untrue
12 statements of material facts and omitted to state material facts
13 necessary in order to make the statements, in light of the
14 circumstances under which they were made, not misleading, in violation
15 of Section 12(a)(2) of the Securities Act, 15 U.S.C. §771, and was
16 otherwise fraudulent. Furthermore, the PPM contained, on the advice
17 and recommendation of the Lawyers, a rescission offer of prior
18 securities of the Company, in connection with which Matt Rose,
19 Freeman, Costantino, Boza, Chris Rose, Maynard and the Lawyers, and
20 each of them, knew that the Company did not have the fund to perform
21 such rescission and that funds to perform such rescission would have
22 to be derived from the funds provided by new investors who would
23 become purchasers of the Securities under the PPM and was, therefore,
24 likewise fraudulent.

25 7.

26 The Lawyers were paid from Company funds a total of \$50,713, of
27 which \$40,413 was for the PPM and \$10,300 of which was for the
28 trademark work. The Lawyers resigned on February 7, 2005. During the

1 Securities Offering, Matt Rose caused more than 700 copies of the PPM
2 to be sent out via UPS and the U.S. mail.

3 First Claim for Relief

4 (Sections 15 and 20(a) of the Exchange Act)

5 8.

6 The Plaintiff repeats and realleges the allegations contained in
7 paragraphs 1-7 hereinabove as though set forth herein in haec verba.

8 9.

9 In violation of Section 15 of the Exchange Act, 15 U.S.C. §78o,
10 during the Securities Offering Period, Matt Rose paid out of funds of
11 the Company illegal commissions for the sale of the Securities to
12 persons and entities which were not registered broker-dealers of
13 securities or members of the National Association of Securities
14 Dealers, Inc. Such misconduct included but was not limited to Matt
15 Rose's causing the Company to pay an illegal commissions (1) to
16 Freeman for the sale of authorized but unissued shares of the common
17 stock of the Company to Freeman's parents, Mr. and Mrs. Greenslade and
18 (2) to pay Tim Lantz and Harald Martin, neither of whom was or is a
19 registered broker-dealer, for the sale of certain of the Securities.
20 During the Securities Offering Period, salesmen received some twenty-
21 four (24) illegal commissions for the sale of the Securities.

22 10.

23 On May 30, 2003, Matt Rose, purportedly on behalf of the Company,
24 executed a written agreement with Maynard relating to a non-existent
25 loan to the Company of \$50,000, in which Matt Rose agreed that (1) the
26 Company would pay Maynard "50% of all monies raised from the sale of
27 [the Company's] common stock . . . until 100% of [Maynard's] loan to
28 [the Company] has been repaid," (2) Maynard was to be issued 50,000

1 shares of the Company's common stock, (3) Maynard was to be issued
2 50,000 warrants for 50,000 additional shares of the Company's common
3 stock at a price of \$1.00 per share, and (4) Matt Rose would
4 personally guarantee the nonexistent loan, "pledging 100% of his
5 commissions earned from any successfully completed Real Estate
6 transaction done with [Maynard] until 100% of [Maynard's] loan to [the
7 Company] has been repaid." In fact, Matt Rose issued 200,000 shares
8 of the Company's common stock to Maynard, for which the Company
9 received no consideration. From August 14, 2003 through to August 14,
10 2004, Matt Rose paid from the funds of the Company to Maynard the sum
11 of \$43,730.02. Although on April 23, 2004, \$115,000 in funds from
12 Maynard were deposited in the Company's bank account at Bank of
13 America in Pahrump, Nevada, on April 30, 2004, the \$115,000 was wired
14 back to Maynard from the said account at the insistence of Matt Rose.

15 11.

16 In June 2003, Matt Rose established an office ("the California
17 Office" herein) purportedly for the Company in premises leased by
18 Shiloh Investments a/k/a Friendship Realty, companies owned and
19 controlled by Maynard, located at 879 West 190th Street, Suite 400,
20 Gardena, California 90248, and paid from the funds of the Company,
21 purportedly at the rate of \$1.85 per square foot, \$2,020 per month for
22 June-August 2003, \$2,329.50 per month for September 2003-April 2004,
23 and \$1,723.48 for May 2004 plus \$810.54 for June 2004, \$816.54 for
24 July 2004, \$810.54 for August 2004, and \$81.05 thereafter when the
25 California Office was closed. In fact, the Company was allocated only
26 a small portion of the California office and was instead paying
27 Maynard's rent for no consideration. In further violation of Section
28 15 of the Exchange Act, during the period that the California Office

1 was open, Matt Rose and Freeman illegally and unlawfully operated a
2 "boiler room" for the Securities Offering.

3 12.

4 Matt Rose and Freeman, directly or indirectly, were controlling
5 persons or entities under Section 20(a) of the Exchange Act, 15 U.S.C.
6 §78y, and are liable thereunder to the Company.

7 13.

8 As a consequence of the foregoing, the Plaintiff is entitled to
9 recover from Matt Rose and Freeman and each of them damages in an
10 amount to be proved at trial, which is not less than \$2 billion.

11 14.

12 It has been necessary for the Plaintiff to engage the services
13 of an attorney to bring and prosecute this action, and, accordingly,
14 the Plaintiff is entitled to recover its reasonable attorney's fees
15 herein.

16 Second Claim for Relief

17 (Section 10(b) of the Exchange Act and Rule 10b-5)

18 15.

19 The Plaintiff repeats and realleges the allegations contained in
20 paragraphs 1-12 and 14 hereinabove as though set forth herein in haec
21 verba.

22 16.

23 After resigning from the Company and causing the Fraudulent
24 Company to be organized and activated, Matt Rose falsely and
25 fraudulently has represented to third parties that the Company was out
26 of business and that the Fraudulent Company was taking over the
27 Company's proposed business. Wrongfully stealing and utilizing the
28 Company's confidential stockholder list, Matt Rose, Freeman and the

1 Fraudulent Company have more recently contacted various stockholders
 2 of the Company making false misrepresentations and omissions in order
 3 to seek to exchange and actually exchanging and issuing new shares of
 4 the common stock of the Fraudulent Company for previously issued and
 5 outstanding shares of the common stock of the Company held by such
 6 stockholders.

7 17.

8 Matt Rose also established a website for the Fraudulent Company,
 9 which, under the category "About Us," on April 12, 2005, contained the
 10 following language:

11 For more than three years and at a cost of several million
 12 dollars, Ultimate Sports Entertainment, Inc. has been in the
 13 business of executing the dream of developing the ultimate
 sports destination, the most extraordinary and recognizable
 Sports and Entertainment Resort in the World.

14 By May 11, 2005, the quoted language was removed from the Fraudulent
 15 Company's website. However, the website still contained the following
 16 language:

17 In addition to an extraordinary in-house team, Ultimate Sports
 18 Entertainment, Inc. has engaged the following Leaders in their
 respective fields:

19 **Builders:** The Perini Building Company

20 **Architect:** The Paul Steelman Design Group

21 **Public Relations:** Leader Enterprises

22 **Attorneys:** The law offices of Flangas and Mc Millan [sic]

23 **Management:** The Navegante Group

(Larry Woolf, CEO of The Navegante Group, is the former
 Chairman, President and CEO of the MGM Grand) For more
 information concerning the companies above, see the Team section
 of this web-site.

24 The entities listed above (except for (A) Leader Enterprises, to which
 25 Matt Rose had paid \$33,188.66 between May 17 and November 15, 2004
 26 from the funds of the Company, and (B) the Lawyers), had been
 27 described in the PPM and advertized elsewhere by Matt Rose, during the
 28 Employment Period at the Company, as the Company's "Dream Team."

18.

Matt Rose, Freeman, the Fraudulent Company, and the Lawyers violated Section 10(b) of the Exchange Act by using or employing manipulative and deceptive devices or contrivances in contravention of Rule 10b-5.

19.

As a consequence of the foregoing, the Plaintiff has been damaged and is entitled to recover from Matt Rose, Freeman, the Fraudulent Company, and the Lawyers and each of them damages in an amount to be proved at trial, which is not less than \$2 billion.

Third Claim for Relief

(State Securities Violations)

20.

The Plaintiff repeats and realleges the allegations contained in paragraphs 1-12, 14, and 16-18 hereinabove as though set forth herein *in haec verba*.

21.

The conduct of Matt Rose, Freeman, the Fraudulent Company and the Lawyers and each of them constitutes violation of the registration, disclosure and anti-fraud provisions of the securities law of the State of Nevada, Sections 90.211, et seq., of Nevada Revised Statutes.

22.

As a consequence of the foregoing, the Plaintiff has been damaged and is entitled to recover from Matt Rose, Freeman, the Fraudulent Company and the Lawyers and each of them damages in an amount to be proved at trial, which is not less than \$2 billion.

23.

Matt Rose, Freeman, the Fraudulent Company and the Lawyers and

1 each of them are guilty of oppression, fraud, or malice, express or
2 implied, and, therefore, the Plaintiff is also entitled to recover
3 from Matt Rose, Freeman, the Fraudulent Company and the Lawyers and
4 each of them punitive damages in an amount to be proved at trial,
5 which is not less than \$6 billion.

6 Fourth Claim for Relief

7 (Common Law Fraud)

8 24.

9 The Plaintiff repeats and realleges the allegations contained in
10 paragraphs 1-12, 14, and 16-18 hereinabove as though set forth herein
11 in haec verba.

12 25.

13 Matt Rose forged another of the Company's officer's signature on
14 certain certificates representing shares of the common stock of the
15 Company.

16 26.

17 The conduct of Matt Rose, Freeman, Costantino, Boza, Chris Rose
18 and Maynard and each of them constitutes common law fraud.

19 27.

20 As a consequence of the foregoing, the Plaintiff is entitled to
21 recover from Matt Rose, Freeman, Costantino, Boza, Chris Rose,
22 Maynard, the Fraudulent Company and the Lawyers and each of them
23 damages in an amount to be proved at trial, which is not less than \$2
24 billion.

25 28.

26 Matt Rose, Freeman, Costantino, Boza, Chris Rose, Maynard, the
27 Fraudulent Company, and the Lawyers and each of them were and are
28 guilty of oppression, fraud, or malice, express or implied, and,

1 therefore, the Plaintiff is also entitled to recover from Matt Rose,
2 Freeman, Costantino, Boza, Chris Rose and Maynard and each of them
3 punitive damages in an amount to be proved at trial, which is not less
4 than \$6 billion.

5 Fifth Claim for Relief

6 (Breach of Contract)

7 29.

8 The Plaintiff repeats and realleges the allegations contained in
9 paragraphs 1-12, 14, and 16-18 hereinabove as though set forth herein
10 in haec verba.

11 30.

12 Matt Rose caused the Company to pay him a salary of \$6,000 per
13 month during the remaining months of 2003, \$10,000 per month for all
14 twelve months in 2004 and for the month of January 2005, and an
15 additional \$4,000 for the first week of February 2005 at the time of
16 his resignation. Matt Rose, who wrote and signed all of his own
17 paychecks, failed and refused either to make deductions for
18 withholding or FICA or to make quarterly reports to the Internal
19 Revenue Service. In addition to the so-called salary payments
20 enumerated above, during 2004 Matt Rose also paid himself additional
21 unauthorized payments from the funds of the Company totaling \$87,000.

22 31.

23 The conduct of Matt Rose constitutes breach of the Employment
24 Agreement, and the conduct of Freeman, Costantino, Boza, Chris Rose
25 and Maynard constitutes their respective breach of their aforesaid
26 agreements with the Company.

27 32.

28 As a consequence of the foregoing, the Plaintiff is entitled to

1 recover from Matt Rose, Freeman, Costantino, Boza, Chris Rose and
2 Maynard and each of them damages in an amount to be proved at trial,
3 which is not less than \$2 billion.

4 Sixth Claim for Relief

5 (Breach of the Implied Covenant of Good Faith and Fair Dealing)

6 33.

7 The Plaintiff repeats and realleges the allegations contained in
8 paragraphs 1-12, 14, 16-18 and 30 hereinabove as though set forth
9 herein in haec verba.

10 34.

11 By their conduct Matt Rose, Freeman, Costantino, Boza, Chris Rose
12 and Maynard and each of them breached the implied covenant of good
13 faith and fair dealing.

14 35.

15 As a consequence of the foregoing, the Plaintiff is entitled to
16 recover from Matt Rose, Freeman, Costantino, Boza, Chris Rose and
17 Maynard and each of them damages in an amount to be proved at trial,
18 which is not less than \$2 billion.

19 36.

20 Matt Rose, Freeman, Costantino, Boza, Chris Rose and Maynard and
21 each of them were and are guilty of oppression, fraud, or malice,
22 express or implied, and, therefore, the Plaintiff is also entitled to
23 recover from Matt Rose, Freeman, Costantino, Boza, Chris Rose and
24 Maynard and each of them punitive damages in an amount to be proved
25 at trial, which is not less than \$6 billion.

26

27

28

Seventh Claim for Relief

(Conversion)

37.

Plaintiffs repeat and reallege the allegations contained in paragraphs 1-12, 14, 16-18, and 30 hereinabove as though set forth herein *in haec verba*.

38.

The Company, Matt Rose and Freeman maintained a leased office at 4335 Industrial Road, Suite 400, Las Vegas, Nevada ("the Premises" herein).

39.

On February 8, 2005, the same date that Matt Rose resigned as President and chief executive officer of the Company, Maynard sent a letter to the Company which stated "that [Maynard's] gift of the Flat screen TV (the "Flat Screen TV" herein) was a gift to Matt Rose personally as an acknowledgment [sic] of our friendship and support of his initiative, and in no way should be considered the property of [the Company]." In fact, on August 5, 2004, the Company issued a check to Good Guys Electronics for \$7,632.47 for the Flat Screen TV.

40.

When Matt Rose left the Premises on or about February 8, 2005, he left his key to the Premises with Freeman, Rob Yowell, Dennis Gushue, Heath-Price Kahn, and Sean Pierce, all of whom had been previously hired by Matt Rose purportedly as independent contractors for the Company, and who Matt Rose allowed to enter and to remain upon the Premises thereafter. At about the same time, Matt Rose gathered together all of the books and records of the Company, including but not limited to all copies of the Employment Agreement ("the Stolen

1 Records" herein), that were on the Premises. Matt Rose took the Stolen
2 Records to an undisclosed location and has failed and refused to
3 return the Stolen Records despite repeated demand therefor.

4 41.

5 On or about February 28, 2005, Matt Rose and Freeman removed from
6 the Premises all furniture and equipment of any value belonging to the
7 Company, including but not limited to the Flat Screen TV (collectively
8 "the Stolen Equipment" herein). Chris Rose removed and retained a
9 computer belonging to the Company ("the Stolen Computer" herein).
10 Neither the Stolen Equipment nor the Stolen Computer have been
11 returned to the Company despite repeated demands therefor.

12 42.

13 Immediately after the Lawyers' resignation as attorneys for the
14 Company on February 7, 2005, Matt Rose and Freeman hired the Lawyers,
15 who then formed the Fraudulent Company, of which Matt Rose immediately
16 became the President and chief executive officer and for which Matt
17 Rose, with the advice of the Lawyers, immediately misappropriated most
18 if not all of the Company's intellectual property rights (except for
19 certain copyrights issued to the Company through services of the
20 Lawyers) ("the Stolen Intellectual Property" herein) as well as the
21 Stolen Equipment. Matt Rose and Freeman established offices for
22 themselves and the Fraudulent Company at 8540 South Eastern Avenue,
23 Suite 200, Las Vegas, Nevada 89123, where the Stolen Equipment is
24 located and being used. Matt Rose, Freeman and the Fraudulent Company
25 have been promoting and continue to promote a fraudulent project ("the
26 Fraudulent Project" herein), which is nearly identical to the Project
27 Matt Rose promoted during the Employment Period at the Company.

28

1 43.

2 Matt Rose, Freeman, Chris Rose, and the Fraudulent Company
3 wrongfully and illegally converted to their own use intellectual
4 property rights of the Company and certain other personal property
5 belonging to the Plaintiff including but not limited to the Stolen
6 Equipment and the Stolen Computer. In addition, Chris Rose, who,
7 together with his company, Dreamtree Media, had been paid \$191,751 by
8 the Company for website construction and management, highjacked the
9 Company's website, shut it down, and refused to provide to the Company
10 the access codes to the Company's website.

11 44.

12 As a consequence of the foregoing, the Plaintiff is are entitled
13 to recover from Matt Rose, Freeman, Chris Rose, and the Fraudulent
14 Company damages in an amount to be proved at trial, which is not less
15 than \$2 billion.

16 45.

17 Matt Rose, Freeman, Chris Rose, and the Fraudulent Company are
18 guilty of oppression, fraud, or malice, express or implied, and,
19 therefore, the Plaintiff is also entitled to recover from Matt Rose,
20 Freeman, Chris Rose, and the Fraudulent Company punitive damages in
21 an amount to be proven at trial, which is not less than \$6 billion.

22 Eighth Claim for Relief

23 (Mismanagement)

24 46.

25 The Plaintiff repeats and realleges the allegations contained in
26 paragraphs 1-12, 14, 16-18, 30 and 38-43 hereinabove as though set
27 forth herein *in haec verba*.

28

1 47.

2 Matt Rose caused false minutes of fictitious meetings of the
3 Company's board of directors and stockholders, some of which minutes
4 falsely stated that they were held before Matt Rose became President
5 and Chief Executive Officer of the Company.

6 48.

7 In April 2004, Matt Rose hired Freeman, who was and is a boyhood
8 friend of Matt Rose and an attorney not licensed to practice law in
9 Nevada, as purportedly full-time in-house General Counsel and Chief
10 Operating Officer for the Company. Freeman, whose office was adjacent
11 to Matt Rose's office on the Premises, was paid \$7,500 per month from
12 the funds of the Company until Freeman resigned as general counsel and
13 chief operating officer on February 24, 2005.

14 49.

15 In or about April 2003, Matt Rose hired Costantino, who was his
16 live-in girlfriend, as Controller, bookkeeper, receptionist and
17 secretary for the Company, and she was paid \$3,000 per month from
18 funds of the Company until her termination on February 7, 2005 when
19 she received \$1,500 severance pay.

20 50.

21 On or about June 12, 2003, Matt Rose hired Chris Rose (his
22 brother) as the Company's website manager, and he was paid \$6,000 per
23 month from the funds of the Company, although Dreamtree Media, a
24 company owned and controlled by Chris Rose, during the same period was
25 also paid \$104,567 from the funds of the Company for the same alleged
26 services. Chris Rose was terminated by Matt Rose on or about February
27 7, 2005 and was paid \$3,000 severance pay from the funds of the
28 Company.

1 51.

2 On or about June 16, 2003, Matt Rose hired Justin Banks ("Banks"
3 herein), who Matt Rose said was his step-son, as an employee of the
4 Company, and, although Banks performed no services for the Company,
5 he received \$300 per week from the funds of the Company, which was
6 increased to \$400 per week on August 27, 2004 and to \$3,000 per month
7 on November 20, 2004. Banks was terminated on February 7, 2004, when
8 he received severance pay of \$1,500 from the funds of the Company.
9 During the period of Banks' so-called employment by the Company, Matt
10 Rose caused the Company to pay to Banks, who was not a licensed
11 broker-dealer or salesman of securities, commissions for sale of
12 certain of the Securities, even though Banks was not responsible for
13 any sales of the Securities.

14 52.

15 From February 20 to April 2, 2004 Matt Rose caused the Company
16 to pay to Karen Rose, a person unknown to other officers and directors
17 of the Company, a total of \$24,200.

18 53.

19 In or about October 2004, the Company hired Boza as Vice
20 President of the Company and a purported sales representative who
21 supposedly had the expertise to obtain sports sponsorships and
22 endorsements for the Company. More specifically Boza was supposed to
23 solicit potential clients for a sporting goods and apparel
24 manufacturers' trade show that would be hosted at the Project. Prior
25 to joining the Company, Boza worked for Communications & Show
26 Management, Inc. ("CCSM" herein), a company located in Miami, Florida
27 that specialized in hosting an annual trade show for sporting goods
28 and apparel manufacturers. In November 2004, CSM initiated litigation

1 against Boza in Miami-Dade County Circuit Court in Case No. 04-23595,
2 alleging that Boza had stolen confidential trade secrets and disclosed
3 such information to the Company. CSM sought not only to recover
4 damages from Boza but also to enjoin him from using any alleged trade
5 secrets in his new position with the Company. Despite the seriousness
6 of the charges, since Boza was apparently unable to fund his own legal
7 defense, Matt Rose and Freeman hired Dimond Kaplan & Rothstein, P.A.
8 Attorneys at Law in Miami, Florida, to act as Boza counsel in the said
9 litigation entirely at the cost of the Company. Matt Rose and Freeman
10 attempted to cause the Company "to be jointly and severally
11 responsible for all fees and costs" of the said attorneys in the
12 representation of Boza in the said litigation.

13 54.

14 On December 13, 2004, Matt Rose entered into a written agreement
15 with Gary and Deborah Bates ("the Bates" herein) of Las Vegas, Nevada,
16 whereby Matt Rose agreed to sell the Bates 20,000 shares of the common
17 stock of the Company purportedly personally owned by Matt Rose at
18 \$5.00 per share for \$100,000. In fact, Matt Rose issued and delivered
19 the said 20,000 shares to the Bates from the authorized but unissued
20 common stock of the Company, issued an additional 20,000 shares to the
21 Bates from the same source for no consideration, and pocketed the
22 \$100,000.

23 55.

24 By their conduct Matt Rose and Freeman were guilty of
25 mismanagement of the Plaintiff.

26 56.

27 As a consequence of the foregoing, the Plaintiff is entitled to
28 recover from Matt Rose, Freeman and Costantino damages in an amount

1 to be proved at trial, which is not less than \$2 billion.

2 57.

3 Matt Rose, Freeman and Costantino were and are guilty of
4 oppression, fraud, or malice, express or implied, and, therefore, the
5 Plaintiff is also entitled to recover from Matt Rose, Freeman and
6 Costantino punitive damages in an amount to be proved at trial, which
7 is not less than \$6 billion.

8 Ninth Claim for Relief

9 (Breach of Fiduciary Duty)

10 58.

11 The Plaintiff repeats and realleges the allegations contained in
12 paragraphs 1-12, 14, and 16-18, 19-20, 33, 38-43 and 47-54 hereinabove
13 as though set forth herein *in haec verba*.

14 59.

15 By their conduct Matt Rose, Freeman and Costantino breached their
16 fiduciary duties to the Company.

17 60.

18 As a consequence of the foregoing, the Plaintiff is entitled to
19 recover from Matt Rose, Freeman and Costantino damages in an amount
20 to be proved at trial, which is not less than \$2 billion.

21 61.

22 Matt Rose, Freeman and Costantino were and are guilty of
23 oppression, fraud, or malice, express or implied, and, therefore, the
24 Plaintiff is also entitled to recover from Matt Rose, Freeman and
25 Costantino punitive damages in an amount to be proved at trial, which
26 is not less than \$6 billion.

27

28

Tenth Claim for Relief

(Interference with Contractual Relations and Business Opportunity)

62.

The Plaintiff repeats and realleges the allegations contained in paragraphs 1-12, 14, and 16-18, 19-20, 33, 38-43 and 47-54 hereinabove as though set forth herein *in haec verba*.

63.

By their conduct and the Fraudulent Company wrongfully and illegally interfered with the contractual relations and business opportunity of the Plaintiff.

64.

As a consequence of the foregoing, the Plaintiff is entitled to recover from all of the Defendants and each of them damages in an amount to be proved at trial, which is not less than \$2 billion.

65.

All of the Defendants and each of them were and are guilty of oppression, fraud, or malice, express or implied, and, therefore, the Plaintiff is also entitled to recover from all of the Defendants and each of them punitive damages in an amount to be proved at trial, which is not less than \$6 billion.

Eleventh Claim for Relief

(Unlawful Conspiracy)

66.

The Plaintiff repeats and realleges the allegations contained in paragraphs 1-12, 14, and 16-18, 19-20, 33, 38-43 and 47-54 hereinabove as though set forth herein *in haec verba*.

67.

The conduct of all of the Defendants and each of them constituted an unlawful conspiracy against the Plaintiff in that the Defendants

1 and each of them were aware that the other Defendants and each of them
2 planned to commit the wrongful acts alleged hereinabove and that the
3 Defendants and each of them agreed with the other Defendants and each
4 of them and intended that the wrongful acts alleged hereinabove be
5 committed.

6 68.

7 As a consequence of the foregoing, the Plaintiff is entitled to
8 recover from all of the Defendants and each of them damages in an
9 amount to be proved at trial, which is not less than \$2 billion.

10 69.

11 All of Defendants and each of them were and are guilty of
12 oppression, fraud, or malice, express or implied, and, therefore, the
13 Plaintiff is also entitled to recover from the all of the Defendants
14 and each of them punitive damages in an amount to be proved at trial,
15 which is not less than \$6 billion.

16 Twelfth Claim for Relief

17 (Libel & Slander)

18 70.

19 The Plaintiff repeats and realleges the allegations contained in
20 paragraphs 1-12, 14, and 16-18, 19-20, 33, 38-43 and 47-54
21 hereinabove as though set forth herein *in haec verba*.

22 71.

23 In the course of the offer and sale of the Fraudulent Company's
24 securities and at other times, Matt Rose and the Fraudulent Company
25 have published defamatory statements against the Plaintiff, both
26 orally and in writing, and are, therefore, guilty of committing libel
27 and slander against the Plaintiff.

28

72.

As a consequence of the foregoing, the Plaintiff is entitled to recover from Matt Rose and the Fraudulent Company damages in an amount to be proved at trial, which is not less than \$2 billion.

73.

Matt Rose and the Fraudulent Company were and are guilty of oppression, fraud, or malice, express or implied, and, therefore, the Plaintiff is also entitled to recover from Matt Rose and the Fraudulent Company punitive damages in an amount to be proved at trial, which is not less than \$6 billion.

Thirteenth Claim for Relief

(Malpractice)

74.

The Plaintiff repeats and realleges the allegations contained in paragraphs 1-12, 14, 16-18, 30 and 38-43 hereinabove as though set forth herein *in haec verba*.

75.

The conduct of malpractice of the law.

76.

As a consequence of the foregoing, the Plaintiff is entitled to recover from the Lawyers damages in an amount to be proved at trial, which is not less than \$2 billion.

77.

The Lawyers were and are guilty of oppression, fraud, or malice, express or implied, and, therefore, the Plaintiff is also entitled to recover from the Lawyers punitive damages in an amount to be proved at trial, which is not less than \$6 billion.

.

Fourteenth Claim for Relief

(Declaratory Relief)

78.

The Plaintiff repeats and realleges the allegations contained in paragraphs 1-12, 14, and 16-18, 19-20, 33, 38-43 and 47-54 hereinabove as though set forth herein *in haec verba*.

79.

The Plaintiff is entitled to a declaratory judgment that (A) the Plaintiff is the sole owner to the exclusion of Matt Rose and the Fraudulent Company of all of the Plaintiff's intellectual properties and personal property and (B) that all of the shares of the common stock of the Company referred to hereinabove and otherwise issued by or at the instance of any of the Defendants for no consideration are cancelled, null and void, and held for naught.

Fifteenth Claim for Relief

(Injunctive Relief)

80.

The Plaintiff repeats and realleges the allegations contained in paragraphs 1-9, 11, and 13-15, 19-20, 33, 42-46 and 50-57 hereinabove as though set forth herein *in haec verba*.

81.

As a consequence of the foregoing, the continued actions of Matt Rose and the Fraudulent Company will cause and will continue to cause the Plaintiff immediate and irreparable injury, loss or damages.

82.

Because immediate and irreparable injury, loss or damage will result if Matt Rose and the Fraudulent Company are not enjoined from continuing their actions as aforesaid, the Plaintiff is entitled to

1 a preliminary and permanent injunction, enjoining Matt Rose, the
2 Fraudulent Company, their officers, agents, servants, employees, and
3 attorneys, and all persons in active concert or participation with
4 them from continuing to use and to represent that they have the right
5 to use the proprietary rights and other personal property of the
6 Plaintiff and from stating and otherwise representing that the Company
7 is out of business.

8 WHEREFORE, the Plaintiff prays for judgment as follows:

9 1 On the First Claim for Relief in favor of the Plaintiff and
10 against Matt Rose and Freeman and each of them for damages in an
11 amount to be proved at trial, which is not less than \$2 billion;

12 2. On the Second Claim for Relief in favor of the Plaintiff and
13 against Matt Rose, Freeman, the Fraudulent Company and the Lawyers and
14 each of them for damages in an amount to be proved at trial, which is
15 not less than \$2 billion;

16 3. On the Third Claim for Relief in favor of the Plaintiff and
17 against Matt Rose, Freeman, the Fraudulent Company and the Lawyers and
18 each of them for damages and punitive damages in an amount to be
19 proved at trial, which is not less than \$2 billion and \$6 billion,
20 respectively;

21 4. On the Fourth Claim for Relief in favor of the Plaintiff and
22 against Matt Rose, Freeman, Costantino, Boza, Chris Rose and Maynard
23 and each of them and each them for damages and punitive damages in
24 amounts to be proved at trial, which are not less than \$2 billion and
25 \$6 billion, respectively;

26 5. On the Fifth Claim for Relief in favor of the Plaintiff and
27 against Matt Rose, Freeman, Costantino, Boza, Chris Rose and Maynard
28 and each of them for damages in an amount to be proved at trial, which

1 are not less than \$2 billion;

2 6. On the Sixth Claim for Relief in favor of the Plaintiff and
3 against Matt Rose, Freeman, Costantino, Boza, Chris Rose and Maynard
4 and each of them for damages and punitive damages in amounts to be
5 proved at trial, which are not less than \$2 billion and \$6 billion,
6 respectively;

7 7. On the Seventh Claim for Relief in favor of the Plaintiff and
8 against Matt Rose, Freeman, Chris Rose and the Fraudulent Company for
9 damages and punitive damages in amounts to be proved at trial, which
10 are not less than \$2 billion and \$6 billion, respectively;

11 8. On the Eighth Claim for Relief in favor of the Plaintiff and
12 against Matt Rose, Freeman and Costantino for damages and punitive
13 damages in amounts to be proved at trial, which are not less than \$2
14 billion and \$6 billion, respectively;

15 9. On the Ninth Claim for Relief in favor of the Plaintiff and
16 against Matt Rose, Freeman and Costantino for damages and punitive
17 damages in amounts to be proved at trial, which are not less than \$2
18 billion and \$6 billion, respectively;

19 10. On the Tenth Claim for Relief in favor of the Plaintiff and
20 against all of the Defendants and each of them for damages and
21 punitive damages in amounts to be proved at trial, which are not less
22 than \$2 billion and \$6 billion, respectively;

23 11. On the Eleventh Claim for Relief in favor of the Plaintiff
24 and against all of the Defendants for damages and punitive damages in
25 amounts to be proved at trial, which are not less than \$2 billion and
26 \$6 billion, respectively;

27 12. On the Twelfth Claim for Relief in favor of the Plaintiff and
28 against Matt Rose and the Fraudulent Company and each of them for

1 damages and punitive damages in amounts to be proved at trial, which
2 are not less than \$2 billion and \$6 billion, respectively;

3 13. On the Thirteenth Claim for Relief in favor of the Plaintiff
4 and against the Lawyers for damages and punitive damages in amounts
5 to be proved at trial, which are not less than \$2 billion and \$6
6 billion, respectively;

7 14. On the Fourteenth Claim for Relief for a declaratory judgment
8 that (A) the Plaintiff is the sole owner to the exclusion of Matt
9 Rose and the Fraudulent Company of all of the Plaintiff's intellectual
10 properties and personal property and (B) that all of the shares of the
11 common stock of the Company referred to hereinabove and otherwise
12 issued by or at the instance of any of the Defendants for no
13 consideration are cancelled, null and void, and held for naught;

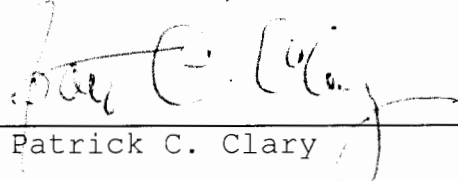
14 15. On the Fifteenth Claim for Relief for a preliminary and
15 permanent injunction, enjoining Matt Rose, the Fraudulent Company,
16 their officers, agents, servants, employees, and attorneys, and all
17 persons in active concert or participation with them from continuing
18 to use and to represent that they have the right to use the
19 proprietary rights and other personal property of the Plaintiff and
20 from stating and otherwise representing that the Company is out of
21 business and enjoining them from other wrongful acts;

22 16. For the Plaintiff's reasonable attorney's fees herein plus
23 costs of this action; and

24 17. For such other and further relief as the Court may deem just
25 and appropriate in the premises.

26 PATRICK C. CLARY, CHARTERED


27
28 By


Patrick C. Clary

Attorneys for Plaintiff

1 STATE OF NEVADA)
2) : ss.
3 COUNTY OF CLARK)

4 I, DiANNA ROACH, having been first duly sworn, upon my oath,
5 depose and state that I am the duly elected and acting Secretary of
6 KNOCKOUT! SPORTS NETWORK, INC., a Nevada corporation, the Plaintiff
7 in the above-captioned case, that I have read the foregoing Complaint
8 and know the contents thereof, and that the statements contained there
9 are true according to my personal knowledge except for statements made
10 on information and belief and, as to those statements, I believe them
11 to be true.

12 
13 _____
14 DiANNA ROACH

15 SUBSCRIBED AND SWORN TO before me on March 20, 2006.

